

Amendment - 2nd Reading-yellow - Requested by: Mike Hopkins - (H) Committee of the Whole

- 2023
68th Legislature 2023

Drafter: Erin Sullivan, 406-444-3594

SB0538.003.005

1 SENATE BILL NO. 538
2 INTRODUCED BY C. FRIEDEL, E. BUTTREY, D. ZOLNIKOV, D. BARTEL, J. SMALL, M. HOPKINS, J.
3 ELLSWORTH, J. KASSMIER
4
5 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING MARIJUANA LAWS; ~~CREATING A~~
6 ~~MARIJUANA ADMINISTRATION STATE SPECIAL REVENUE ACCOUNT FOR THE DEPARTMENT OF~~
7 ~~REVENUE; CREATING A HABITAT LEGACY ACCOUNT FOR THE BENEFIT OF THE DEPARTMENT OF~~
8 ~~FISH, WILDLIFE, AND PARKS; CREATING A STATE SPECIAL REVENUE ACCOUNT FOR THE BENEFIT~~
9 ~~OF THE DEPARTMENT OF JUSTICE; AUTHORIZING THE DEPARTMENT OF REVENUE TO SPEND~~
10 ~~APPROPRIATED LOCAL OPTION MARIJUANA TAX REVENUE; REVISING THE ALLOCATION OF THE~~
11 ~~MARIJUANA STATE SPECIAL REVENUE ACCOUNT; REVISING THE MONTANA WILDLIFE HABITAT~~
12 ~~IMPROVEMENT ACT; CREATING STATUTORY APPROPRIATIONS; ADDING A FEE FOR DISPENSARIES~~
13 ~~FOR DRUG EDUCATION PROGRAMS~~ FOR DRUG EDUCATION PROGRAMS; INCREASING THE
14 PENALTY FOR FRAUDULENT REPRESENTATION; ALLOWING A LAW ENFORCEMENT OFFICIAL TO
15 SEIZE MARIJUANA AND MARIJUANA PRODUCTS IN CERTAIN CASES; ~~INCREASING THE PENALTY FOR~~
16 ~~FRAUDULENT REPRESENTATION; ALLOWING A LAW ENFORCEMENT OFFICIAL TO SEIZE MARIJUANA~~
17 ~~AND MARIJUANA PRODUCTS IN CERTAIN CASES; AMENDING SECTIONS ~~16-12-111~~, 16-12-224, AND 16-~~
18 ~~12-302, ~~16-12-310~~, ~~17-1-508~~, ~~17-7-502~~, AND ~~87-5-806~~, 16-12-302, MCA; AND PROVIDING AN ~~A DELAYED~~~~
19 ~~EFFECTIVE DATE~~ ~~EFFECTIVE DATES AN EFFECTIVE DATE.~~"

20
21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
22

23 ~~NEW SECTION. SECTION 1. MARIJUANA ADMINISTRATION STATE SPECIAL REVENUE ACCOUNT -- USE --~~
24 ~~STATUTORY APPROPRIATION. (1) THERE IS A SPECIAL REVENUE ACCOUNT WITHIN THE STATE SPECIAL REVENUE FUND~~
25 ~~ESTABLISHED IN 17-2-102. MONEY IN THE ACCOUNT IS STATUTORILY APPROPRIATED, AS PROVIDED IN 17-7-502, TO THE~~
26 ~~DEPARTMENT OF REVENUE AND MAY ONLY BE USED TO ADMINISTER THE LOCAL OPTION MARIJUANA EXCISE TAX~~
27 ~~PURSUANT TO 16-12-309 THROUGH 16-12-312 AND 16-12-317.~~

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1 ~~(2) — THERE MUST BE DEPOSITED IN THE ACCOUNT MONEY RECEIVED FROM TAX REVENUE PURSUANT TO 16-~~
2 ~~12-310(3)(c).~~

3
4 ~~NEW SECTION. SECTION 2. HABITAT LEGACY ACCOUNT. (1) THERE IS A HABITAT LEGACY ACCOUNT IN THE~~
5 ~~STATE SPECIAL REVENUE FUND ESTABLISHED IN 17-2-102. ALL FUNDS RECEIVED PURSUANT TO 16-12-111 ARE~~
6 ~~STATUTORILY APPROPRIATED, AS PROVIDED IN 17-7-502, AND MUST BE DEPOSITED IN THE ACCOUNT AND TRANSFERRED~~
7 ~~TO THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS.~~

8 ~~(2) — AT THE END OF EACH FISCAL YEAR, 75% OF THE FUNDS RECEIVED PURSUANT TO 16-12-111 MUST BE~~
9 ~~TRANSFERRED AND USED SOLELY AS FUNDING FOR WILDLIFE HABITAT IN THE SAME MANNER AS FUNDING UNDER 87-1-~~
10 ~~242(3) AND USED PURSUANT TO 87-1-209.~~

11 ~~(3) — IF, AT THE END OF ANY FISCAL YEAR, THE UNOBLIGATED CASH BALANCE IN THE ACCOUNT SET UP TO~~
12 ~~ADMINISTER FUNDING UNDER 87-1-242(3) AND USED PURSUANT TO 87-1-209 EQUALS OR EXCEEDS \$50 MILLION,~~
13 ~~ADJUSTED ANNUALLY FOR INFLATION, THE TRANSFER MAY NOT BE MADE.~~

14 ~~(4) — IF, AT THE END OF ANY FISCAL YEAR, THE UNOBLIGATED CASH BALANCE IN THE ACCOUNT SET UP TO~~
15 ~~ADMINISTER FUNDING UNDER 87-1-242(3) AND USED PURSUANT TO 87-1-209 IS LESS THAN \$50 MILLION, ADJUSTED~~
16 ~~ANNUALLY FOR INFLATION, THEN AN AMOUNT LESS THAN OR EQUAL TO THE DIFFERENCE BETWEEN THE UNOBLIGATED~~
17 ~~CASH BALANCE AND \$50 MILLION, ADJUSTED ANNUALLY FOR INFLATION, BUT NOT TO EXCEED 75% OF THE TAXES~~
18 ~~RECEIVED PURSUANT TO 16-12-111, MUST BE TRANSFERRED TO THE ACCOUNT SET UP TO ADMINISTER FUNDING UNDER~~
19 ~~87-1-242(3) AND USED PURSUANT TO 87-1-209.~~

20 ~~(5) — THE INFLATION ADJUSTMENTS MADE UNDER THIS SECTION MUST BE BASED ON ANY CHANGE TO THE~~
21 ~~CONSUMER PRICE INDEX FROM THE PREVIOUS YEAR. THE CONSUMER PRICE INDEX TO BE USED FOR CALCULATIONS IS~~
22 ~~THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS (CPI-U).~~

23 ~~(6) — TWENTY-FIVE PERCENT, AND ANY AMOUNT ABOVE THE CAP ESTABLISHED IN SUBSECTION (2), IS~~
24 ~~RETAINED IN THE HABITAT LEGACY ACCOUNT, AND MUST BE USED EXCLUSIVELY IN THE SAME MANNER AS FUNDING~~
25 ~~UNDER 87-5-806 OR 87-1-209.~~

26 ~~(7) — ANY INTEREST OR INCOME EARNED ON THE MONEY IN THE HABITAT LEGACY ACCOUNT MUST BE~~
27 ~~DEPOSITED INTO THE ACCOUNT.~~

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1 ~~(8) ANY UNSPENT OR UNENCUMBERED MONEY IN THE HABITAT LEGACY ACCOUNT AT THE END OF A FISCAL~~
2 ~~YEAR MUST REMAIN IN THE ACCOUNT.~~

3
4 ~~NEW SECTION. SECTION 3. MARIJUANA DISTRIBUTION ACCOUNT. (1) THERE IS A MARIJUANA DISTRIBUTION~~
5 ~~ACCOUNT IN THE STATE SPECIAL REVENUE FUND TO BE ADMINISTERED BY THE DEPARTMENT OF JUSTICE. THE ACCOUNT~~
6 ~~CONSISTS OF REVENUE DEPOSITED PURSUANT TO 16-12-111 AND FEES COLLECTED UNDER 16-12-224(7).~~

7 ~~(2) THE ACCOUNT MAY BE USED FOR:~~

8 ~~(A) PROGRAM ENHANCEMENTS IN COMBATTING CRIME, TO INCLUDE HUMAN TRAFFICKING, INVESTIGATIONS,~~
9 ~~NARCOTICS, AND THE ASSOCIATED LEGAL CASEWORK;~~

10 ~~(B) ADDITIONAL RESOURCES TO SUPPORT THE MONTANA HIGHWAY PATROL; AND~~

11 ~~(C) PUBLIC SAFETY GRANT PROGRAMS FUNDED FOR LAW ENFORCEMENT SUPPORT.~~

12 ~~(3) THE DEPARTMENT OF JUSTICE MAY USE UP TO 10% OF THE ANNUAL APPROPRIATION INTO THE~~
13 ~~ACCOUNT FOR THE PURPOSES OF SUBSECTION (2)(C).~~

14
15 ~~SECTION 4. SECTION 16-12-111, MCA, IS AMENDED TO READ:~~

16 ~~"16-12-111. Marijuana state special revenue account — operating reserve — transfer of excess~~
17 ~~funds. (1) There is a dedicated marijuana state special revenue account within the state special revenue fund~~
18 ~~established in 17-2-102, to be administered by the department.~~

19 ~~(2) The account consists of:~~

20 ~~(a) money deposited into the account pursuant to this chapter;~~

21 ~~(b) the taxes collected pursuant to Title 15, chapter 64, part 1;~~

22 ~~(c) license and registered cardholder fees deposited into the account pursuant to this chapter; and~~

23 ~~(d) taxes deposited into the account pursuant to 16-12-310; and~~

24 ~~(e)(d) civil penalties collected under this chapter.~~

25 ~~(3) Except as provided in subsection (4), money in the account must be used by the department for~~
26 ~~the purpose of administering the provisions of this chapter.~~

27 ~~(4) At the end of each fiscal year, the department shall transfer funds in excess of a 3-month~~

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1 ~~operating reserve necessary to fund operating costs at the beginning of the next fiscal year in the following~~
2 ~~order as follows:~~

3 ~~(a) 20% to the habitat legacy account provided for in [section 2];~~
4 ~~(a)(b) an amount not to exceed \$6 million must be transferred 15% to the healing and ending~~
5 ~~addiction through recovery and treatment (HEART) account established in 16-12-122;~~
6 ~~(b) the net balance remaining after distribution to the HEART account must be distributed as follows:~~
7 ~~(i) 20% to the credit of the department of fish, wildlife, and parks to be used solely as funding for~~
8 ~~wildlife habitat in the same manner as funding generated under 87-1-242(3) and used pursuant to 87-1-209;~~
9 ~~(ii) 4% to the state park account established in 23-1-105(1);~~
10 ~~(iii) 4% to the trails and recreational facilities account established in 23-2-108;~~
11 ~~(iv) 4% to the nongame wildlife account established in 87-5-121;~~
12 ~~(c) 10% to the marijuana distribution state special revenue account provided for in [section 3];~~
13 ~~(v)(d) 3% or \$200,000, whichever is less, 6% to the veterans and surviving spouses state special~~
14 ~~revenue account provided for in 10-2-108;~~
15 ~~(vi)(e) for the biennium beginning July 1, 2021-2023, \$300,000 to the department of justice to~~
16 ~~administer grant funding to local and state law enforcement agencies for the purpose of purchasing and training~~
17 ~~drug detection canines and canine handlers, including canines owned by local law enforcement agencies to~~
18 ~~replace canines who were trained to detect marijuana; and~~
19 ~~(vii) \$150,000 to the board of crime control to fund crisis intervention team training as provided in 44-7-~~
20 ~~110; and~~
21 ~~(viii)(f) the remainder to the general fund. (Subsection (4)(b)(vi) (4)(e) terminates June 30, 2025--sec.~~
22 ~~117(2), Ch. 576, L. 2021.)"~~

23

24 **Section 1.** Section 16-12-224, MCA, is amended to read:

25 **"16-12-224. Licensing of dispensaries.** (1) Except as provided in 16-12-201(2), an applicant for a
26 dispensary license shall demonstrate that the local government approval provisions in 16-12-301 have been
27 satisfied in the jurisdiction where each proposed dispensary is located if the proposed dispensary would be

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1 located in a county in which the majority of voters voted against approval of Initiative Measure No. 190 in the
2 November 3, 2020, general election.

3 (2) When evaluating an initial or renewal application, the department shall evaluate each proposed
4 dispensary for compliance with the provisions of 16-12-207 and 16-12-210.

5 (3) An adult-use dispensary licensee may operate at a shared location with a medical marijuana
6 dispensary if the adult-use dispensary and medical marijuana dispensary are owned by the same person.

7 (4) A medical marijuana dispensary is authorized to sell exclusively to registered cardholders
8 marijuana, marijuana products, and live marijuana plants.

9 (5) An adult-use dispensary is authorized to sell marijuana, marijuana products, and live marijuana
10 plants to consumers or registered cardholders.

11 (6) The department shall charge a dispensary license fee for an initial application and at each
12 renewal. The dispensary license fee is \$5,000 for each location that a licensee operates as an adult-use
13 dispensary or a medical marijuana dispensary.

14 (7) The department shall charge a dispensary an additional \$50 fee at each renewal for a drug
15 education program ~~THE PURPOSES UNDER [SECTION 3] a drug education program.~~ The ~~DEPARTMENT SHALL USE~~
16 ~~THE~~ fees collected under this subsection (7) ~~are transferred quarterly to the department of justice to administer~~
17 ~~the drug education program~~ ARE TRANSFERRED QUARTERLY TO THE ~~MARIJUANA DISTRIBUTION ACCOUNT UNDER~~
18 ~~[SECTION 3] department of justice to administer the drug education program.~~

19 ~~(7)(8)~~ (8) The department may adopt rules:

20 (a) for inspection of proposed dispensaries;

21 (b) for investigating owners or applicants for a determination of financial interest; and

22 (c) establishing or limiting the THC content of the marijuana or marijuana products that may be
23 sold at an adult-use dispensary or medical marijuana dispensary.

24 ~~(8)(9)~~ (9) (a) Marijuana and marijuana products sold at a dispensary are regulated and sold on the basis
25 of the concentration of THC in the products and not by weight.

26 (b) Except as provided in subsection ~~(8)(e)~~ ~~(9)(c)~~, for purposes of this chapter, a single package is
27 limited to:

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- 1 (i) for marijuana sold as flower, 1 ounce of usable marijuana. The total potential psychoactive
2 THC of marijuana flower may not exceed 35%.
- 3 (ii) for a marijuana product sold as a capsule, no more than 100 milligrams of THC per capsule
4 and no more than 800 milligrams of THC per package.
- 5 (iii) for a marijuana product sold as a tincture, no more than 800 milligrams of THC;
- 6 (iv) for a marijuana product sold as an edible or a food product, no more than 100 milligrams of
7 THC. A single serving of an edible marijuana product may not exceed 10 milligrams of THC.
- 8 (v) for a marijuana product sold as a topical product, a concentration of no more than 6% THC and
9 no more than 800 milligrams of THC per package;
- 10 (vi) for a marijuana product sold as a suppository or transdermal patch, no more than 100
11 milligrams of THC per suppository or transdermal patch and no more than 800 milligrams of THC per package;
12 and
- 13 (vii) for any other marijuana product, no more than 800 milligrams of THC.
- 14 (c) A dispensary may sell marijuana or marijuana products having higher THC potency levels than
15 described in subsection (8) (9) to registered cardholders.
- 16 (9)(10) A licensee or employee is prohibited from conducting a transaction that would result in a
17 consumer or registered cardholder exceeding the personal possession amounts set forth in 16-12-106 and 16-
18 12-515."

19
20 **Section 2.** Section 16-12-302, MCA, is amended to read:

21 ~~"16-12-302. Fraudulent representation -- penalties. (1) In addition to any other penalties provided~~
22 ~~by law, an individual who fraudulently represents to a law enforcement official that the individual is a cultivator,~~
23 ~~manufacturer, adult use dispensary, medical marijuana dispensary, testing laboratory, or marijuana transporter~~
24 ~~or has a marijuana worker permit is guilty of a civil fine not to exceed \$1,000 \$1,500.~~

25 ~~(2) Subject to the provisions of 16-12-304, a law enforcement official may seize marijuana and~~
26 ~~marijuana products from an individual in violation of 16-12-107 and subsection (1) of this section and may~~
27 ~~charge the individual with a misdemeanor.~~

1 ~~(2)(3) — An individual convicted under this section may not be licensed under this chapter."~~

2

3 **Section 2.** Section 16-12-302, MCA, is amended to read:

4 **"16-12-302. Fraudulent representation -- penalties.** (1) In addition to any other penalties provided
5 by law, an individual who fraudulently represents to a law enforcement official that the individual is a cultivator,
6 manufacturer, adult-use dispensary, medical marijuana dispensary, testing laboratory, or marijuana transporter
7 or has a marijuana worker permit is guilty of a civil fine not to exceed ~~\$1,000~~ \$1,500.

8 (2) Subject to the provisions of 16-12-304, a law enforcement official may seize marijuana and
9 marijuana products from an individual in violation of 16-12-107 and subsection (1) of this section and may
10 charge the individual with a misdemeanor.

11 ~~(2)(3) An individual convicted under this section may not be licensed under this chapter."~~

12

13 ~~**SECTION 6. SECTION 16-12-310, MCA, IS AMENDED TO READ:**~~

14 ~~**"16-12-310. Limit on local option marijuana excise tax rate — goods subject to tax.** (1) The rate
15 of the local option marijuana excise tax must be established by the election petition or resolution provided for in
16 16-12-311, and the rate may not exceed 3%.~~

17 ~~(2) — The local option marijuana excise tax is a tax on the retail value of all marijuana and marijuana
18 products sold at an adult use dispensary or medical marijuana dispensary within a county.~~

19 ~~(3) — If a county imposes a local option marijuana excise tax:~~

20 ~~(a) — 50% of the resulting tax revenue must be retained by the county;~~

21 ~~(b) — 45% of the resulting tax revenue must be apportioned to the municipalities on the basis of the
22 ratio of the population of the city or town to the total county population; and~~

23 ~~(c) — the remaining 5% of the resulting tax revenue must be retained by is allocated to the
24 department to defray costs associated with administering 16-12-309 through 16-12-312 and 16-12-317. The
25 funds retained by the department under this subsection (3)(c) must be deposited into the marijuana
26 administration state special revenue account established under 16-12-111 [section 1].~~

27 ~~(4) — For the purposes of this section, "tax revenue" means the combined taxes collected under any~~

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1 ~~local option marijuana excise tax collected on retail sales within the county."~~

2

3 **SECTION 7. SECTION 17-1-508, MCA, IS AMENDED TO READ:**

4 ~~**"17-1-508. — Review of statutory appropriations.** (1) Each biennium, the office of budget and~~
5 ~~program planning shall, in development of the executive budget, review and identify instances in which~~
6 ~~statutory appropriations in current law do not appear consistent with the guidelines set forth in subsection (2).~~

7 ~~(2) — The review of statutory appropriations must determine whether a statutory appropriation meets~~
8 ~~the requirements of 17-7-502. Except as provided in [76-17-103,] 77-1-108, and 87-5-909, and [section 1], a~~
9 ~~statutory appropriation from a continuing and reliable source of revenue may not be used to fund administrative~~
10 ~~costs. In reviewing and establishing statutory appropriations, the legislature shall consider the following~~
11 ~~guidelines. A proposed or existing statutory appropriation may not be considered appropriate if:~~

12 ~~(a) — the money is from a continuing, reliable, and estimable source;~~

13 ~~(b) — the use of the appropriation or the expenditure occurrence is predictable and reliable;~~

14 ~~(c) — the authority exists elsewhere;~~

15 ~~(d) — an alternative appropriation method is available, practical, or effective;~~

16 ~~(e) — it appropriates state general fund money for purposes other than paying for emergency~~
17 ~~services;~~

18 ~~(f) — the money is used for general purposes;~~

19 ~~(g) — the legislature wishes to review expenditure and appropriation levels each biennium; and~~

20 ~~(h) — an expenditure cap and sunset date are excluded.~~

21 ~~(3) — The office of budget and program planning shall prepare a fiscal note for each piece of~~
22 ~~legislation that proposes to create or amend a statutory appropriation. It shall, consistent with the guidelines in~~
23 ~~this section, review each of these pieces of legislation. Its findings concerning the statutory appropriation must~~
24 ~~be contained in the fiscal note accompanying that legislation. (Bracketed language in subsection (2) terminates~~
25 ~~June 30, 2027—sec. 10, Ch. 374, L. 2017.)"~~

26

27 **SECTION 8. SECTION 17-7-502, MCA, IS AMENDED TO READ:**

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1 ~~"17-7-502. Statutory appropriations—definition—requisites for validity. (1) A statutory~~
2 ~~appropriation is an appropriation made by permanent law that authorizes spending by a state agency without~~
3 ~~the need for a biennial legislative appropriation or budget amendment.~~
4 ~~(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with~~
5 ~~both of the following provisions:~~
6 ~~(a) The law containing the statutory authority must be listed in subsection (3).~~
7 ~~(b) The law or portion of the law making a statutory appropriation must specifically state that a~~
8 ~~statutory appropriation is made as provided in this section.~~
9 ~~(3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120; 5-~~
10 ~~11-407; 5-13-403; 5-13-404; 7-4-2502; 7-4-2924; 7-32-236; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-2-~~
11 ~~807; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-3-802; 10-3-1304; 10-4-304; 10-4-310; 15-1-121; 15-1-218;~~
12 ~~15-31-165; 15-31-1004; 15-31-1005; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121; 15-70-101; 15-~~
13 ~~70-130; 15-70-433; 16-11-119; 16-11-509; [section 1]; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-~~
14 ~~215; 18-11-112; 19-3-319; 19-3-320; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-~~
15 ~~305; 19-19-506; 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-534; 20-9-622; [20-15-328]; 20-26-617; 20-~~
16 ~~26-1503; 22-1-327; 22-3-116; 22-3-117; [22-3-1004]; 23-4-105; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-~~
17 ~~402; 30-10-1004; 37-43-204; 37-50-209; 37-54-113; 39-71-503; 41-5-2011; 42-2-105; 44-4-1101; 44-12-213;~~
18 ~~44-13-102; 46-32-108; 50-1-115; 53-1-109; 53-6-148; 53-9-113; 53-24-108; 53-24-206; 60-5-530; 60-11-115;~~
19 ~~61-3-321; 61-3-415; 67-1-309; 69-3-870; 69-4-527; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 75-26-308; 76-~~
20 ~~13-150; 76-13-151; 76-13-417; 76-17-103; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-11-518; 80-11-1006;~~
21 ~~81-1-112; 81-1-113; 81-7-106; 81-7-123; 81-10-103; 82-11-161; 85-2-526; 85-20-1504; 85-20-1505; [85-25-~~
22 ~~102]; 87-1-603; 87-5-909; [section 2]; 90-1-115; 90-1-205; 90-1-504; 90-6-331; and 90-9-306.~~
23 ~~(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,~~
24 ~~paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued~~
25 ~~pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of~~
26 ~~Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined~~
27 ~~by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have~~

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1 ~~statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the~~
2 ~~inclusion of 19-20-604 terminates contingently when the amortization period for the teachers' retirement~~
3 ~~system's unfunded liability is 10 years or less; pursuant to sec. 73, Ch. 44, L. 2007, the inclusion of 19-6-410~~
4 ~~terminates contingently upon the death of the last recipient eligible under 19-6-709(2) for the supplemental~~
5 ~~benefit provided by 19-6-709; pursuant to sec. 5, Ch. 383, L. 2015, the inclusion of 85-25-102 is effective on~~
6 ~~occurrence of contingency; pursuant to sec. 6, Ch. 423, L. 2015, the inclusion of 22-3-116 and 22-3-117~~
7 ~~terminates June 30, 2025; pursuant to sec. 12, Ch. 55, L. 2017, the inclusion of 37-54-113 terminates June 30,~~
8 ~~2023; pursuant to sec. 4, Ch. 122, L. 2017, the inclusion of 10-3-1304 terminates September 30, 2025;~~
9 ~~pursuant to sec. 1, Ch. 213, L. 2017, the inclusion of 90-6-331 terminates June 30, 2027; pursuant to secs. 5, 8,~~
10 ~~Ch. 284, L. 2017, the inclusion of 81-1-112, 81-1-113, and 81-7-106 terminates June 30, 2023; pursuant to sec.~~
11 ~~1, Ch. 340, L. 2017, the inclusion of 22-1-327 terminates July 1, 2023; pursuant to sec. 10, Ch. 374, L. 2017,~~
12 ~~the inclusion of 76-17-103 terminates June 30, 2027; pursuant to sec. 5, Ch. 50, L. 2019, the inclusion of 37-50-~~
13 ~~209 terminates September 30, 2023; pursuant to sec. 1, Ch. 408, L. 2019, the inclusion of 17-7-215 terminates~~
14 ~~June 30, 2029; pursuant to secs. 11, 12, and 14, Ch. 343, L. 2019, the inclusion of 15-35-108 terminates June~~
15 ~~30, 2027; pursuant to sec. 7, Ch. 465, L. 2019, the inclusion of 85-2-526 terminates July 1, 2023; pursuant to~~
16 ~~sec. 5, Ch. 477, L. 2019, the inclusion of 10-3-802 terminates June 30, 2023; pursuant to secs. 1, 2, 3, Ch. 139,~~
17 ~~L. 2021, the inclusion of 53-9-113 terminates June 30, 2027; pursuant to sec. 8, Ch. 200, L. 2021, the inclusion~~
18 ~~of 10-4-310 terminates July 1, 2031; pursuant to secs. 3, 4, Ch. 404, L. 2021, the inclusion of 30-10-1004~~
19 ~~terminates June 30, 2027; pursuant to sec. 5, Ch. 548, L. 2021, the inclusion of 50-1-115 terminates June 30,~~
20 ~~2025; pursuant to secs. 5 and 12, Ch. 563, L. 2021, the inclusion of 22-3-1004 is effective July 1, 2027; and~~
21 ~~pursuant to sec. 15, Ch. 574, L. 2021, the inclusion of 46-32-108 terminates June 30, 2023.)"~~

22

23 **SECTION 9. SECTION 87-5-806, MCA, IS AMENDED TO READ:**

24 **"87-5-806. — (Temporary) Administration and expenditure of funds — cooperation with other**

25 **entities. (1) (a) State, tribal, and federal agencies, as well as conservation districts, irrigation districts, grazing**
26 **associations, county weed boards, and 501(c)(3) organizations, may apply for project funding.**

27 **(2) — The department may expend funds deposited under [section 2] and pursuant to 87-5-805**

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1 ~~through grants or contracts in order to; communities, noxious weed management districts, conservation~~
2 ~~districts, nonprofit organizations exempt from taxation under 26 U.S.C. 501(c)(3), or other entities that it~~
3 ~~considers appropriate for wildlife habitat improvement projects.~~

4 ~~(b)(a) The department shall consider project recommendations from the council. improve, conserve,~~
5 ~~protect, and maintain terrestrial habitat;~~

6 ~~(c)(b) The department may cooperate in and coordinate the planning and disbursement of these~~
7 ~~funds with federal, state, and local agencies responsible for the management of noxious weeds. improve,~~
8 ~~conserve, and maintain aquatic habitat;~~

9 ~~(c) participate in water enhancement projects to benefit aquatic habitat and allow for other~~
10 ~~watershed enhancements that benefit fish, wildlife, and water conservation;~~

11 ~~(d) improve and maintain range conditions, restoration of habitat, and drought resilience designed~~
12 ~~to create habitat uplift on private, public, and tribal lands;~~

13 ~~(e) address and mitigate impacts that are detrimental to wildlife habitat and the environment and~~
14 ~~improve the condition of the land due to noxious weeds, soil disturbance, and loss of diverse habitat~~
15 ~~communities;~~

16 ~~(f) mitigate conflicts and reduce potential for disease transmission between wildlife and domestic~~
17 ~~livestock;~~

18 ~~(g) help fund activities and employees of the state tribal wildlife programs; and~~

19 ~~(h) create habitat uplift and net conservation gain for species of conservation need.~~

20 ~~(2) A project is eligible to receive funds only if the county in which the project occurs has funded its~~
21 ~~own weed management program using one of the following methods, whichever is less:~~

22 ~~(a) levying an amount of not less than 1.6 mills or an equivalent amount from another source; or~~

23 ~~(b) appropriating an amount of not less than \$100,000 from any source.~~

24 ~~(3) The department may expend money deposited pursuant to 87-5-805 to:~~

25 ~~(a) restore, rehabilitate, improve, or manage areas of land as wildlife habitat by controlling noxious~~
26 ~~weeds;~~

27 ~~(b) acquire goods and services that will help control noxious weeds in order to restore, rehabilitate,~~

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1 ~~improve, or manage land as wildlife habitat;~~

2 ~~(c) fund cost share noxious weed management programs with local noxious weed management~~
3 ~~districts; or~~

4 ~~(d) provide special grants to local noxious weed management districts to eradicate or contain~~
5 ~~significant noxious weeds newly introduced into the county that affect wildlife habitat.~~

6 ~~(4) Expenditures allowed pursuant to subsection (3) are limited to:~~

7 ~~(a) biological or mechanical control of noxious weeds;~~

8 ~~(b) purchases and application of approved herbicides;~~

9 ~~(c) seed purchases and application of seed; and~~

10 ~~(d) grazing costs as a component of an overall integrated noxious weed management plan.~~

11 ~~(5)(3) The department may expend the funds deposited pursuant to 87-5-805 [section 2] to pay costs~~
12 ~~incurred by the department for administering this part and providing support to the council, including but not~~
13 ~~limited to personal services costs, operating costs, and other administrative costs. After fiscal year 2019,~~
14 ~~administrative Administrative costs may not exceed 15% of the total amount expended pursuant to subsection~~
15 ~~(3) (2).~~

16 ~~(4) Any funds used pursuant to an appropriation of special federal reserve funding as described in~~
17 ~~87-5-505 must comply with 50 CFR, chapter 1, subchapter F, part 80. (Terminates June 30, 2023—sec. 11, Ch.~~
18 ~~342, L. 2017.)"~~

19
20 ~~NEW SECTION. SECTION 10. CODIFICATION INSTRUCTION. (1) [SECTION 1] IS INTENDED TO BE CODIFIED AS~~
21 ~~AN INTEGRAL PART OF TITLE 16, CHAPTER 12, PART 1, AND THE PROVISIONS OF TITLE 16, CHAPTER 12, PART 1, APPLY~~
22 ~~TO [SECTION 1].~~

23 ~~(2) [SECTION 2] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 87, CHAPTER 5, AND THE~~
24 ~~PROVISIONS OF TITLE 87, CHAPTER 5, APPLY TO [SECTION 2].~~

25 ~~(3) [SECTION 3] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 44, CHAPTER 4, AND THE~~
26 ~~PROVISIONS OF TITLE 44, CHAPTER 4, APPLY TO [SECTION 3].~~

27

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1 ~~NEW SECTION. Section 3.— Effective date.~~ [This act] is effective July 1, 2023 JANUARY 1, 2024.

2
3 ~~COORDINATION SECTION. SECTION 11.— COORDINATION INSTRUCTION. (1) IF SENATE BILL NO. 442 AND~~
4 ~~[THIS ACT] ARE PASSED AND APPROVED AND IF BOTH CONTAIN SECTIONS THAT AMEND 16-12-111, THEN SENATE BILL~~
5 ~~NO. 442 IS VOID.~~

6
7 ~~COORDINATION SECTION. SECTION 12.— COORDINATION INSTRUCTION. IF HOUSE BILL NO. 86 AND [THIS~~
8 ~~ACT] ARE PASSED AND APPROVED AND IF BOTH CONTAIN A SECTION THAT AMENDS 87-5-806, THEN THE SECTIONS~~
9 ~~AMENDING 87-5-806 ARE VOID AND 87-5-806 MUST BE AMENDED AS FOLLOWS:~~

10 ~~"87-5-806.— (Temporary) Administration and expenditure of funds— cooperation with other~~
11 ~~entities. (1) (a) State, tribal, and federal agencies, as well as conservation districts, irrigation districts, grazing~~
12 ~~associations, county weed boards, and 501(c)(3) organizations, may apply for project funding.~~

13 ~~(2) The department may expend funds deposited under [section 2] and pursuant to 87-5-805~~
14 ~~through grants or contracts in order to:~~

15 ~~(a) improve, conserve, protect, and maintain terrestrial habitat;~~

16 ~~(b) improve, conserve, and maintain aquatic habitat;~~

17 ~~(c) participate in water enhancement projects to benefit aquatic habitat and allow for other~~
18 ~~watershed enhancements that benefit fish, wildlife, and water conservation;~~

19 ~~(d) improve and maintain range conditions, restoration of habitat, and drought resilience designed~~
20 ~~to create habitat uplift on private, public, and tribal lands;~~

21 ~~(e) address and mitigate impacts that are detrimental to wildlife habitat and the environment and~~
22 ~~improve the condition of the land due to noxious weeds, soil disturbance, and loss of diverse habitat~~
23 ~~communities;~~

24 ~~(f) mitigate conflicts and reduce potential for disease transmission between wildlife and domestic~~
25 ~~livestock;~~

26 ~~(g) help fund activities and employees of the state tribal wildlife programs;~~

27 ~~(h) create habitat uplift and net conservation gain for species of conservation need;~~

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- 1 ~~(i) — implement weed and soil treatment options and methods recommended by the council to~~
2 ~~reduce noxious weeds and support native vegetation; and~~
- 3 ~~(j) — fund grant administration, vegetation monitoring, and related administrative costs not to exceed~~
4 ~~10% of a total project amount.~~
- 5 ~~communities, noxious weed management districts, conservation districts, nonprofit organizations~~
6 ~~exempt from taxation under 26 U.S.C. 501(c)(3), or other entities that it considers appropriate for wildlife habitat~~
7 ~~improvement projects.~~
- 8 ~~(b) — The department shall consider project recommendations from the council.~~
- 9 ~~(c) — The department may cooperate in and coordinate the planning and disbursement of these funds~~
10 ~~with federal, state, and local agencies responsible for the management of noxious weeds.~~
- 11 ~~(2) — A project is eligible to receive funds only if the county in which the project occurs has funded its~~
12 ~~own weed management program using one of the following methods, whichever is less:~~
- 13 ~~(a) — levying an amount of not less than 1.6 mills or an equivalent amount from another source; or~~
14 ~~(b) — appropriating an amount of not less than \$100,000 from any source.~~
- 15 ~~(3) — The department may expend money deposited pursuant to 87-5-805 to:~~
- 16 ~~(a) — restore, rehabilitate, improve, or manage areas of land as wildlife habitat by controlling noxious~~
17 ~~weeds;~~
- 18 ~~(b) — acquire goods and services that will help control noxious weeds in order to restore, rehabilitate,~~
19 ~~improve, or manage land as wildlife habitat;~~
- 20 ~~(c) — fund cost share noxious weed management programs with local noxious weed management~~
21 ~~districts; or~~
- 22 ~~(d) — provide special grants to local noxious weed management districts to eradicate or contain~~
23 ~~significant noxious weeds newly introduced into the county that affect wildlife habitat.~~
- 24 ~~(4) — Expenditures allowed pursuant to subsection (3) are limited to:~~
- 25 ~~(a) — biological or mechanical control of noxious weeds;~~
26 ~~(b) — purchases and application of approved herbicides;~~
27 ~~(c) — seed purchases and application of seed; and~~

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1 ~~(d) grazing costs as a component of an overall integrated noxious weed management plan.~~
2 ~~(5)(3) The department may expend the funds deposited pursuant to 87-5-805 [section 2] to pay costs~~
3 ~~incurred by the department for administering this part and providing support to the council, including but not~~
4 ~~limited to personal services costs, operating costs, and other administrative costs. After fiscal year 2019,~~
5 ~~administrative Administrative costs may not exceed 15% of the total amount expended pursuant to subsection~~
6 ~~(3) (2). (Terminates June 30, 2023—sec. 11, Ch. 342, L. 2017.)"~~

7
8
9 **NEW SECTION. Section 3. Effective date.** [This act] is effective July 1, 2023.

10
11 ~~NEW SECTION. SECTION 13. EFFECTIVE DATES. (1) EXCEPT AS PROVIDED IN SUBSECTION (2), [THIS ACT]~~
12 ~~IS EFFECTIVE JULY 1, 2023~~

13 ~~(2) [SECTIONS 1, 7, AND 8] AND THIS SECTION ARE EFFECTIVE ON PASSAGE AND APPROVAL.~~

14 - END -